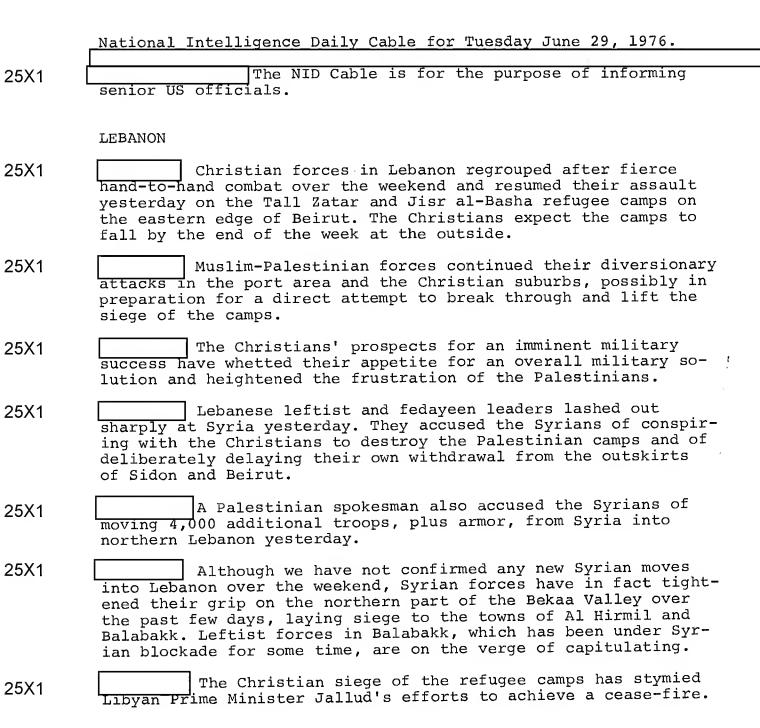
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25X1	Approved For Release 2005/06/01 : CIA-RDP79T00975A029000010050-4	
	He conferred with leftist and Palestinian leaders in Beirut yes- terday, but later canceled a scheduled meeting with Christian leaders when they refused to break off their attack on Tall Zatar.	
25X1	The Christians have become increasingly skeptical of the Libyans' "impartial" mediation. They claim to have recovered four Libyan bodies and taken a Libyan captive in recent fighting in Beirut.	
25X1	The Syrians also claim to have taken prisoner a Libyan who was fighting on the Palestinian side in Sidon.	25X1
25X1 25X1	The Beirut airport remains closed, but the Sudanese and Saudi contingents of the Arab League forcea battalion eachare expected to arrive in Beirut today, presumably overland from Damascus.	
		25X1

USSR-ECPC

25X1

25X1

25X1 Leaders of 29 European communist parties meet in East Berlin today and tomorrow for their first formal multilateral conference since 1967, when a smaller, more politically cohesive group met at Karlovy Vary, Czechoslovakia. Most signs point to little or no controversy at the conference, which follows preparatory sessions extending over a period of 20 months.

General Secretary Brezhnev and Yugoslav President Tito are attending as are leaders of all European parties except those of Iceland and Albania, which are not represented.

Although the Polish and Italian parties are the formal organizers of the conference, the Soviets gave it real impetus

at least as early as 1973. They argued that sufficient new developments had occurred since the last European and world party conferences in 1967 and 1969 and that regional party meetings should be organized, culminating in a new world party conference.

- 25X1
- Moscow wanted to use such a series of conferences to obtain support for its continuing dispute with Peking and for its "detente" policy as well as to enhance ideological discipline among the parties.
- 25X1
- Unenthusiastic responses to the idea of a world conference from all but the most pro-Soviet communist parties caused Moscow to concentrate instead on the regional meetings. To assure the attendance at the European conference of the more independent-minded parties, notably the Italian, Romanian, Yugoslav, and French parties, the Soviets agreed that:
 - --There would be no criticism of any parties, present or absent.
 - --No binding decisions would be adopted.
 - -- The equal rights, independence, and sovereignty of all parties would be respected.
 - --Differences in policies and procedures would be settled by consensus, implicitly giving the independent-minded parties a veto on any collective document or decision.
- 25X1
- Preparations began in Warsaw in October 1974; the target for opening the conference in East Berlin was mid-1975, but Moscow soon ran into difficulties.
- 25X1
- The independent-minded parties insisted on language in the conference declaration that would allow each party to choose what it wished from that declaration in pursuing its course of action at home. The Soviets wanted a program of joint action for the communist parties and a general appeal for support from all "left, democratic, peace-loving forces."
- 25X1
- After November, as European conference preparations were on the verge of failing, the Soviets made a series of concessions in bilateral meetings with leaders of the more independent-minded parties.

25X1	siderable ground. The French party's chief delegate to the pre- paratory meetings, for example, said last week that the concept of a unified strategy had been eliminated and that "very great weight" had been laid on the complete sovereignty and indepen- dence of every party.	
25X1	The Yugoslav party's chief negotiator has said that the Yugoslav decision to participate in the conference shows that "something substantial" has changed in interparty relations. He added that "proletarian internationalism" has been redefined in a manner that satisfies his party.	
25X1	ment to be approved by the conference will focus on such non-divisive issues as peace, security, cooperation, and social progress in Europe.	
25X1	the proceedings and the docu- ment will observe strictly the independence and autonomy of the participating parties, respect the political circumstances of each national party, and call for sharply expanded cooperation between communist parties and all "progressive forces" in Europe, including the Social Democrats and Christian Democrats.	
25X1	The document reportedly will make no specific reference to the Soviet dispute with China or to Moscow's seniority in the world communist movement.	
25X1	The language in the document, however, may be sufficiently palatable to conservative party stalwarts in Moscow to ease their concern that the Soviet party has surrendered on matters of substance.	25X1
	PORTUGAL	
25X1	Portuguese president-elect Eanes yesterday indicated his intention to concentrate power in his own hands by acting simultaneously as president and armed forces chief of staff until the country's political situation "stabilizes."	

- In an interview following his election victory, Eanes promised that his first priority would be to establish a strong government that would not be threatened by militant pressure groups.
- 25X1 He also reiterated his campaign pledge to designate Socialist Party leader Mario Soares to form a government. Having run on that pledge, Eanes' lopsided victory will give Soares' minority Socialist government added legitimacy.
- The candidate of the far left, Otelo de Carvalho, finished second, with an unexpectedly strong 17 percent of the vote. He appears likely to interpret this as a mandate to revive the "popular power" movement advocating setting up a government based on far left-wing popular organizations and bypassing established political parties.
- Carvalho has announced the formation of a congress of the far leftist popular unity groups that supported his campaign and has criticized Eanes for being "entangled" with right-wing political forces.
- The Communist Party was the principal loser in the election, as Carvalho siphoned off a large portion of the votes that had gone to the Communists in the legislative election last April. The Communists polled over 14 percent in the April tally but fell below 8 percent in the unofficial count this time.
- After this setback, the Communists are likely to maintain a low profile while reviewing party strategy. They retain considerable strength in the labor unions, however, and their losses to the far left may prompt them to take a tougher line toward the new government.

PERU

- 25X1 The Peruvian government devalued the sol by 31 percent yesterday. The new rate is 65 to the dollar, in contrast with the previous rate of 45 to one.
- Four days elapsed between the suspension of foreign exchange transactions last Thursday and the announced devaluation, suggesting some last-minute resistance within the government to the controversial measure.

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25X1	//No reaction to the devaluation has been reported thus far, but it will not be long in coming. The first to be affected will be the principal consumers of imported goodsthe middle class and industrialists producing for the domestic market.//	
25X1	//To placate these groups, the government may soon announce its planned "labor stability" measures and the lifting of price controls. These moves will in turn cause severe problems with organized labor.//	25X1
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